

Financial Aid News

WASHINGTON HIGHER EDUCATION COORDINATING BOARD

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Issue 33 — September 3, 2003

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HECB sets 2003-04 SNG reserves for colleges

The Higher Education Coordinating Board (HECB) last week released 2003-04 State Need Grant (SNG) program reserves for colleges and universities. The reserves tell institutions the total funds they can award to SNG-eligible students.

The Board will send official notifications of reserve amounts later this week. In the meantime, aid administrators can find reserve amounts for their schools on the Board's [secure Web site for aid administrators](#).

The Board has also posted an update of the SNG Archive on the secure Web site. The archive lists all students who have exhausted their five years of eligibility, are close to exhausting it, or are ineligible because they owe a repayment on a previous grant.

For more information about reserves or the archive, contact John Klacik at johnk@hecb.wa.gov or (360) 753-7851.

SWS funds 17 community service projects for student employees in 2003-04

Bob Yohnka, student employment administrator at Seattle Pacific University (SPU), and Shelley Collins, SPU music faculty member, are taking some students on a cross-cultural educational odyssey — a few miles and a long way from the wooded Queen Anne campus.

Prof. Collins and eight SPU students will be teaching music to 125 students at Minor Elementary and Meany Middle Schools as part of the Washington State Work Study (SWS) program's Community Service Projects. With Yohnka's oversight and the help of band directors at the schools, the SPU team plans to open the world of music to inner-city students with little music exposure and few musical resources.

The SPU project was one of 17 awarded in 2003-04. The projects offer students an opportunity to engage in public service while earning SWS funds to meet the costs of college. The Board will provide more than \$500,000 in state and federal funds to employ about 125 students.

Other projects will teach youth how to promote lifelong health, assist homeless writers in publishing their work, establish a learning center about the Washington coast, and promote citizen engagement in our democracy.

By both statute and implementation, the SWS program has always helped students bridge theory and practice. Program participants are encouraged to find jobs related to their studies and career plans.

"The Community Service Program asks them to take that a step further," said Betty Gebhardt, associate director for education services. "In addition to providing important work and earning a good wage, we want to encourage these students to examine real social needs and engage in meaningful service to improve the world around them. This is really an extension of their learning.

"It's also a chance to put the energies of a group of SWS students toward a single community need," Gebhardt said. "The synergy of that experience always delivers a lot more learning for students than the traditional one-by-one placement."

The Community Service Program, which started in 1990, includes many components of college service learning programs, including ongoing mentoring and opportunities for students to engage in structured reflection about their work and its results.

A complete list of the 2003-04 Community Service Project awardees is included on the Board's Web site: [Community Service Project awardees](#).

Chris Leeper leaves HECB for budget office at Clover Park

We've been saying a lot of goodbyes at the Higher Education Coordinating Board lately.

Last month, the *Financial Aid News* reported the Aug. 29 retirements of Cindy McBeth, Linda LaMar, and Marc Gaspard. Since that announcement, Chris Leeper, program associate for education services, has accepted a position as the budget services coordinator for Clover Park Technical College. Her last day was also Aug. 29.

Chris joined the Board staff in 1998. "She was in charge of the day-to-day processing of the State Need Grant and Future Teachers area," said John Klacik, associate director for education services. "That's a big responsibility. She set a high standard for the position and did a continuously outstanding job working with schools and students. We will miss her and we wish her the best in her new position at Clover Park."

"As I leave the Board to return to a college campus," Chris said, "I will fondly remember the many friendships that I have developed in the financial aid community. It has been a pleasure to work with a dedicated, talented group of professionals committed to helping students achieve a higher education."

The Board is recruiting to fill the vacancy left by Chris. You can view the job announcement on the Web: [Program associate job announcement](#).

President signs bill providing student loan relief for military personnel

President Bush on Aug. 18 signed legislation to provide loan and other financial aid relief for active duty military personnel who are students participating in federal aid programs.

The Higher Education Relief Opportunities for Students (HEROES) Act of 2003 gives the Secretary of Education authority to waive or modify Title IV student aid regulations and requirements. Individuals affected by the law include active duty military personnel; those performing National Guard duty during a war, operation, or national emergency; people residing in declared disaster areas; and people who have suffered economic hardship as a direct result of a war, military operation, or emergency.

Secretary Rod Paige said the law will provide substantial benefits to members of the armed forces. "In many instances, these servicemen and women have suspended their lives, jobs, and education. HEROES provides them with relief from student loan obligations while they are deployed."

The law allows the secretary to reduce paperwork requirements for affected students to help them avoid defaults and financial penalties. The secretary may also authorize aid officers to recalculate student need in light of special circumstances.

New federal reports examine institutional aid, how students pay for college

The National Center for Education Statistics (NCES) recently published two reports on financial aid. One examines how low- and middle-income families meet college costs. The other looks at recent trends in the awarding of institutional aid.

In [How families of low- and middle-income undergraduates pay for college](#), researchers Susan Choy and Ali Berker studied full-time dependent students at a variety of institutions in 1999-2000. After analyzing data on college costs, financial need, and financial aid for low- and middle-income students, Choy and Berker concluded that need is outstripping available aid, and unmet need is greatest at higher-cost institutions.

In [What colleges contribute](#), Laura Horn and Katharin Peter found that institutional aid doesn't have the kind of impact on graduation rates that private colleges might expect. The percentage of full-time students receiving institutional aid at four-year schools increased substantially between 1992 and 2000. Often the aid was awarded for high academic achievement, but at many colleges recipients demonstrated both merit and financial need. The researchers also found that institutional aid helped some students at some types of institutions remain enrolled after their first year and complete a degree within six years. But at private not-for-profit institutions, where most institutional grant aid is awarded, the researchers could not establish a relationship between a student's getting institutional grant aid as a freshman and graduating from the same college within the next six years.

You can download the reports by clicking on their titles, above.

Overworked and under-aided?

Community college representatives ask Congress to address the "student-work penalty"

The federal student aid formula treats student wages too harshly, some community college officials say. The result is that too many hard-working students find their federal aid reduced simply for trying to make ends meet.

As the reauthorization of the Higher Education Act gains more attention from Congress, many higher education advocates would like to see lawmakers ease the "penalty" faced by working students. Community college leaders say their

students are hit especially hard because they tend to work more than students at four-year schools.

For example, Devon Robertson of Fort Pierce, Fla. took a second part-time job to cover her bills. This fall she learned that the extra income — \$4,000 last year — disqualified her for the Pell Grant she received during her first two years at Indian River Community College. Robertson lives at home with her single mother, a security dispatcher at a local hospital.

"We don't exactly live a luxurious lifestyle," Robertson told *The Chronicle of Higher Education*. "I mean, I can barely scrape together enough money to drive [to] school everyday."

College officials say that Robertson's experience is common. Dependent students begin to lose Pell Grant eligibility when their income exceeds \$2,420. Students who are independent of their parents can earn up to \$5,490 before their Pell Grants start to be reduced.

"It's a Catch-22 for these students," said Steven M. Payne, Indian River's financial aid director. "They need to work. They need to support themselves and they need to support their families, and the better job they do at that, the more they hurt themselves in terms of getting grant assistance."

Members of Congress are considering ways to deal with the problem. Rep. Ric Keller (R—Fla.) wants dependent student income to count in the formula only during the freshman year. After that, parent income alone would be considered in calculating Pell eligibility.

Another plan, put forward by the Advisory Committee on Student Financial Assistance, would expand an existing law that makes students from families that earn less than \$15,000 automatically eligible for the maximum Pell. Student earnings are not considered. The committee wants Congress to raise that ceiling to \$25,000.

Changing the formula has its detractors. For example, some suggest that the federal government shouldn't necessarily provide aid to the computer whiz making a killing developing software. And others argue that an over reliance on work is undermining student chances of long-term success. Instead, students like Robertson should be encouraged to borrow modestly.

"Discouraging students from borrowing reasonable amounts of money can be really damaging to their opportunities for education success," said Sandra Baum, a professor of economics at Skidmore College.

The article is available online to *Chronicle* subscribers: [Too much work?](#)

Give me that old-time tuition

It's a rollback sale to put Wal-Mart to shame.

Hood College, a private liberal arts college in Frederick, Md., will this year award seven "heritage scholarships" to the children and grandchildren of alumni. While such awards are common at private colleges, Hood has given the practice a twist: Instead of establishing a flat scholarship amount, Hood will charge new students the same first-year tuition that their parent or grandparent paid.

For incoming freshman Rebecca Dupont, that means a tuition bill of \$325 — the same amount her grandmother paid in 1944 and a mere scintilla of the current \$19,940 Hood sticker price.

Ronald J. Volpe, president of Hood, hopes the one-year awards will encourage students to come to the college and stay through graduation.

"We came up with this as a way to continue this legacy ... to give back to some of the alumni, and also, quite frankly, as a way to encourage more students to look at Hood," Volpe told the Associated Press (AP).

For Volpe, the scholarships are one part of a plan to boost enrollments by 100 students or more. The plan also includes vigorous marketing and opening the college's dormitories to men for the first time in its 110-year history. Until this year, men attended Hood as commuters only. Hood expects to enroll up to 1,800 students this fall.

For Dupont, the money was a bonus, but what really drew her to Hood was the "homey" atmosphere. "Everyone was very friendly and happy there," she said.

The AP article is no longer online